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ECONOMIC CONDITIONS IN NEW HAMPSHIRE

A Monthly Report by the **NEW HAMPSHIRE DEPARTMENT OF EMPLOYMENT SECURITY**
Prepared in Coordination with the **UNITED STATES BUREAU OF LABOR STATISTICS**

January/February 1989

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Unemployment Rate 2.9% in January, Up 0.4% from Year Ago. 1988 Annual Average Lowest in Nation

New Hampshire recorded an unemployment rate of 2.9 percent in January. This compares to an unemployment rate of 2.2 percent in December and a rate of 2.5 percent a year earlier. These unemployment rates were estimated through the use of a new regression model. The January estimates were the first calculated using this procedure to be published, although 1988 monthly rates have been recalculated with the new method, which explains why the December rate quoted here is somewhat lower than that reported in the last issue of ***Economic Conditions***. The new models have been tested for a year. (For a further explanation of the new methodology used in the Local Area Unemployment Statistics Program, please see "Notes of Interest" on page 11.)

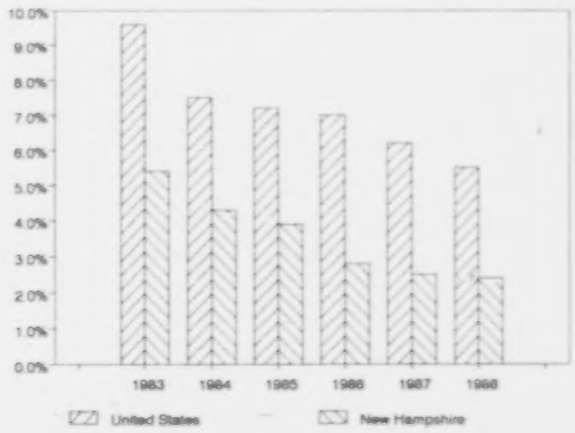
The increase in the unemployment rate from December to January resulted from an increase in the number of unemployed workers (+4,080) at the same time the civilian labor force declined (-3,380). This is a normal occurrence between December and January. Wholesale and retail trade businesses respond to a decline in sales after the holiday season, and construction firms finish up some projects while waiting for the spring season to begin others. However, seasonal construction employment cycles may be affected also by the general construction slowdown caused by a perceived oversupply of some types of housing and higher mortgage interest rates which affect housing demand.

The New Hampshire labor force has risen 25,980 from the level of January 1988. The number of unemployed workers has increased 2,660 over the same period.

All labor market areas (LMA's) except one, the Littleton LMA, registered increases in the rate of unemployment over the month. Littleton remained constant at 3.2 percent unemployment in both December and January. Compared to a year earlier, most labor market areas experienced a rise in the rate of unemployment. The only exceptions were the Keene LMA, which stood at 1.6 percent this January compared to 2.1 percent in January 1988, and the Salem area (the New Hampshire portion of the Lawrence-Haverhill, MA Primary Metropolitan Statistical Area), which had a 4.3 percent rate of unemployment in both months. (Comparisons were made using unemployment rates generated using the new methodology mentioned above.)

New Hampshire Had Lowest Unemployment Rate Among All States in 1988; Sixth Year in Row As Lowest

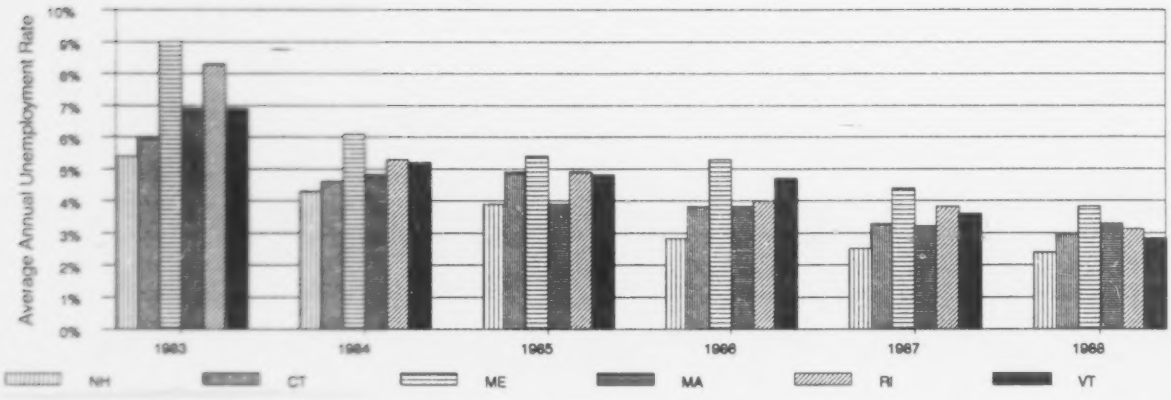
The 1988 annual average unemployment rate for New Hampshire was 2.4 percent. This was the lowest unemployment rate for any state, and represents the sixth year in a row that New Hampshire has had the lowest unemployment rate in the country. From 1983-1985 New Hampshire was tied with other states, but for the past three years New Hampshire has been alone with the lowest rate. New Hampshire has seen the unemployment rate fall steadily since reaching a high of 7.4 percent in 1982.



New Hampshire and U.S. Unemployment Rates 1983-1988

New England as a region registered an average unemployment rate of 3.1 percent in 1988. The average in 1987 was 3.3 percent. The 1988 figure was the lowest for the entire region since 1969, when the average unemployment rate was 3.0 percent. The national unemployment rate dropped to 5.5 percent in 1988 from 6.2 percent in 1987. The 1988 United States rate was the lowest since the 4.9 percent in 1973. The national rate has continued its decline from a high of 9.7 percent in 1982.

Four New England states recorded the lowest unemployment rates in the nation in 1988; New Hampshire, as mentioned above, the lowest at 2.4 percent, followed by



New England States Unemployment Rates 1983-1988

Vermont, 2.8 percent; Connecticut at 3.0 percent; and Rhode Island at 3.1 percent. Massachusetts ranked seventh at 3.3 percent, and Maine tied for tenth at 3.8 percent. All states in the region posted lower annual averages in 1988 than 1987 except for Massachusetts, which experienced a slight (+0.1 percentage point) increase in its unemployment rate.

Employment Trends in New Hampshire

According to sample-based estimates, nonagricultural wage and salary employment in New Hampshire declined by 12,850 workers from December to January. All but 50 of the decline was attributed to changes in nonmanufacturing employment. Compared to figures for twelve months earlier, nonagricultural employment has risen by an estimated 16,350 workers, with manufacturing contributing 1,950 and nonmanufacturing contributing 14,400 workers.

The losses over the month from December in nonmanufacturing (-12,800) were primarily seasonal in nature. Employment drops were spurred by cutbacks within trade establishments (-7,350) due to lower post-Christmas business, and in construction (-4,150) due to winter slowdowns. However, construction employment this January was estimated to be 1,600 less than that of twelve months earlier, which portends a general construction slowdown.

Gains from twelve months earlier were concentrated in nonmanufacturing industries. The trade division grew by 6,150 employees, while services industries added an estimated 5,400 employees. The government sector added 3,650 workers, with 2,200 of these at the local government level. Manufacturing job growth was much slower, with over half of the 1,950 increase occurring in the machinery, except electrical (+650) and electrical products (+400) industries. (For other changes from one-month and twelve-months earlier, please refer to the table on page 4.)

Keene Area Still Lowest in Unemployment Rate

New Hampshire unemployment rose from 13,490 workers in December to 17,570 in January. Unemployment was estimated to have been 14,910 in January 1988. (The number of unemployed is based on the new LAUS methodology mentioned above.)

The lowest area unemployment rate in January was registered in the Keene Labor Market Area (LMA) (1.6 percent). The next lowest rates were found in the Claremont LMA (1.9 percent) and the Portsmouth-Dover-Rochester NH-Me Metropolitan Statistical Area (MSA) (2.4 percent). Highest rates were found in the New Hampshire portion of the Lowell, Massachusetts Primary Metropolitan Statistical Area (PMSA), consisting of Pelham, and in the Unattached Estimating Area. Both areas had 4.5 percent unemployment rates in January. These areas were followed by the New Hampshire portion of the Lawrence-Haverhill, Massachusetts PMSA, consisting of the Salem area, at 4.5 percent.

Manufacturing Hours and Weekly Earnings Up; Average Hourly Earnings Down Slightly

Average weekly earnings were slightly higher (+$3.94) for manufacturing production workers in January than in December. Even though average hourly earnings decreased by $0.05, the rise in average weekly hours by 0.6 hours yielded higher average weekly earnings. Both average hourly earnings and average weekly hours were higher in January than a year earlier, causing average weekly earnings to rise by $28.07.

Average hourly earnings were estimated to be highest in the Food and Kindred Products industry ($11.18) in the nondurable goods sector. Average weekly earnings were highest in the Paper and Allied Products industry ($506.22). Average weekly hours were also greatest in the Paper and Allied Products industry (46.4).

TOTAL UNEMPLOYMENT AND LABOR FORCE BY AREA AND COUNTY*

	UNEMPLOYMENT								CIVILIAN LABOR FORCE				
	January 1989		December 1988		January 1988		Numerical Change From Previous:		January	December	January	Numerical Change From Previous:	
	Number	Rate	Number	Rate	Number	Rate	Month	Year	1989	1988	1988	Month	Year
United States**	7,309	6.0	6,142	5.0	7,603	6.3	(6,142)	(7,603)	121,035	122,120	119,742	(122,120)	(119,742)
New Hampshire	17,570	2.9	13,490	2.2	14,910	2.5	4,080	2,660	614,420	617,800	588,440	(3,380)	25,980
Berlin LMA	860	3.0	650	2.4	720	2.8	210	140	28,350	26,550	25,890	1,800	2,460
Claremont LMA	830	1.9	640	1.5	600	1.5	190	230	44,600	42,890	40,240	1,710	4,360
Concord LMA	1,570	2.7	1,220	2.2	1,220	2.3	350	350	57,310	56,060	51,990	1,250	5,320
Keene LMA	700	1.6	500	1.2	860	2.1	200	(160)	44,720	43,110	40,890	1,610	3,830
Laconia LMA	1,880	3.3	1,110	2.0	1,150	2.2	770	730	57,080	56,370	51,680	710	5,400
Littleton LMA	680	3.2	630	3.2	460	2.4	50	220	21,420	19,630	19,460	1,790	1,960
Manchester MSA	2,170	2.6	1,680	1.9	1,930	2.3	490	240	83,650	87,560	84,760	(3,910)	(1,110)
Nashua PMSA	2,890	2.9	2,410	2.4	2,290	2.3	480	600	98,650	101,330	98,550	(2,680)	100
NH portion Lawrence-Haverhill, Ma PMSA***	2,180	4.3	1,820	3.5	2,210	4.3	360	(30)	51,050	52,310	51,180	0	2,320
Portsmouth-Dover-Rochester NH+ Me MSA	3,130	2.4	2,420	1.8	3,120	2.4	710	10	129,980	134,390	127,750	(4,410)	2,230
Unattached Estimating Area	990	4.5	620	2.8	720	3.6	370	270	22,120	22,120	19,800	0	2,320
NH portion Lowell Ma PMSA	240	4.5	230	4.2	270	5.1	10	(30)	5,280	5,490	5,310	(210)	(30)
Counties													
Belknap	970	3.3	530	1.8	600	2.2	440	370	29,520	29,080	26,720	440	2,800
Carroll	650	3.2	400	2.0	320	1.7	250	330	20,370	19,530	18,360	840	2,010
Cheshire	630	1.6	460	1.2	790	2.2	170	(160)	39,860	38,440	36,470	1,420	3,390
Coos	730	3.3	660	3.2	700	3.4	70	30	22,290	20,840	20,440	1,450	1,850
Grafton	1,140	2.5	890	2.0	900	2.2	250	240	45,890	43,690	41,700	2,200	4,190
Hillsborough	5,260	2.9	4,250	2.2	4,300	2.3	1,010	960	184,450	190,160	183,420	(5,710)	1,030
Merrimack	1,790	2.6	1,310	2.0	1,420	2.3	480	370	67,990	67,070	62,540	920	5,450
Rockingham	4,310	3.5	3,490	2.7	4,120	3.4	820	190	123,540	127,160	121,690	(3,620)	1,850
Strafford	1,560	2.7	1,120	1.9	1,480	2.6	440	80	57,680	59,930	56,630	(2,250)	1,050
Sullivan	530	2.3	380	1.7	280	1.4	150	250	22,830	21,900	20,470	930	2,360

* *NH estimates based on the Bureau of Labor Statistics "43 step handbook method" adjusted to the Current Population Survey (CPS) estimates.*

** *In thousands, not seasonally adjusted.*

*** *New Hampshire Portion of the Lawrence-Haverhill, Massachusetts Primary Metropolitan Statistical Area which includes Salem and twelve small towns.*

NEW HAMPSHIRE CIVILIAN LABOR FORCE, TOTAL EMPLOYMENT AND UNEMPLOYMENT AND SALARY EMPLOYMENT AS OF THE MIDDLE OF THE MONTH

	Number of Workers			Numerical Change * From Previous:	
	January 1989	December 1988	January 1988	Month	Year
Labor Force Data **					
Civilian Labor Force	614,420	617,800	588,440	(3,380)	25,980
Unemployment	17,570	13,490	14,910	4,080	2,660
Percent of Labor Force	2.9	2.2	2.5	----	----
Employment Total	596,850	604,310	573,530	(7,460)	23,320
Persons Involved in Labor Disputes	0	0	0	0	0
Employment by Industry ***					
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT	530,400	543,250	514,050	(12,850)	16,350
MANUFACTURING	120,650	120,700	118,700	(50)	1,950
Durable Goods	84,450	84,500	83,300	(50)	1,150
Lumber and wood products	5,800	5,850	5,900	(50)	(100)
Furniture and fixtures	1,400	1,400	1,600	0	(200)
Stone and clay products	3,500	3,550	3,500	(50)	0
Primary metal products	4,700	4,750	4,550	(50)	150
Fabricated metal products	7,150	7,100	6,900	50	250
Machinery (except electrical)	26,600	26,550	25,950	50	650
Electrical products	23,400	23,300	23,000	100	400
Miscellaneous products	2,300	2,300	2,300	0	0
Other durable goods	9,600	9,700	9,600	(100)	0
Nondurable Goods	36,200	36,200	35,400	0	800
Food and kindred products	2,850	2,950	2,700	(100)	150
Textile mill products	3,600	3,600	3,650	0	(50)
Apparel	1,700	1,700	1,900	0	(200)
Paper and allied products	5,800	5,700	5,600	100	200
Printing, publishing, and allied	8,750	8,750	8,450	0	300
Leather and leather products	3,200	3,200	3,400	0	(200)
Other nondurable goods	10,300	10,300	9,700	0	600
NONMANUFACTURING	409,750	422,550	395,350	(12,800)	14,400
Construction (including mining)	31,600	35,750	33,200	(4,150)	(1,600)
Transportation, communication, and utilities	17,800	17,900	17,700	(100)	100
Trade	136,600	143,950	130,450	(7,350)	6,150
Finance, insurance, and real estate	32,200	32,150	31,500	50	700
Service industry and other	120,050	119,850	114,650	200	5,400
Government	71,500	72,950	67,850	(1,450)	3,650
Federal	8,750	8,900	8,700	(150)	50
State	19,050	19,450	17,650	(400)	1,400
Local	43,700	44,600	41,500	(900)	2,200
Persons involved in labor disputes (not included in Nonagricultural Wage and Salary Employment Total above)	0	0	0	0	0

** Numbers in parentheses indicate negative numbers*
*** By place of residence*
**** By place of establishment, March 1988 benchmark*

MSA LABOR FORCE, TOTAL EMPLOYMENT AND UNEMPLOYMENT, AND NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT AS OF THE MIDDLE OF THE MONTH

	Manchester MSA					Nashua PMSA					Portsmouth-Dover-Rochester MSA				
	Number of Workers			Numerical Change*		Number of Workers			Numerical Change*		Number of Workers			Numerical Change*	
	January 1989	December 1988	January 1988	From Previous Month	From Previous Year	January 1989	December 1988	January 1988	From Previous Month	From Previous Year	January 1989	December 1988	January 1988	From Previous Month	From Previous Year
Labor Force Data**															
1. Civilian Labor Force	83,650	87,560	84,760	(3,910)	(1,110)	98,650	101,330	98,550	(2,680)	100	129,980	134,390	127,750	(4,410)	2,230
2. Unemployment	2,170	1,680	1,930	490	240	2,890	2,410	2,290	480	600	3,130	2,420	3,120	710	10
Percentage of Labor Force	2.6	1.9	2.3	----	----	2.9	2.4	2.3	----	----	2.4	1.8	2.4	----	----
3. Employment Total	81,480	85,880	82,830	(4,400)	(1,350)	95,760	98,920	96,260	(3,160)	(500)	126,850	131,970	124,630	(5,120)	2,220
4. Persons Involved in Labor Disputes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Employment by Industry***															
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT	85,750	88,450	85,250	(2,700)	500	95,850	97,750	94,150	(1,900)	1,700	110,550	113,550	106,950	(3,000)	3,600
MANUFACTURING	12,050	12,150	12,300	(100)	(250)	36,700	36,550	36,350	150	350	20,950	21,250	20,700	(300)	250
Durable Goods	7,400	7,450	7,700	(50)	(300)	30,500	30,350	30,000	150	500	12,800	13,050	12,850	(250)	(50)
Machinery and electrical products	4,300	4,150	4,450	150	(150)	23,150	22,800	22,400	350	750	0	0	0		
Other durable goods	3,100	3,300	3,250	(200)	(150)	7,350	7,550	7,600	(200)	(250)	12,800	13,050	12,850		
Nondurable Goods	4,650	4,700	4,600	(50)	50	6,200	6,200	6,350	0	(150)	8,150	8,200	7,850	(50)	300
Textile mill products	1,100	1,150	1,200	(50)	(100)	0	0	0	0	0	0	0	0		
Other nondurable goods	3,550	3,550	3,400	0	150	6,200	6,200	6,350	0	(150)	8,150	8,200	7,850		
NONMANUFACTURING	73,700	76,300	72,950	(2,600)	750	59,150	61,200	57,800	(2,050)	1,350	89,600	92,300	86,250	(2,700)	3,350
Construction (including mining)	5,550	6,100	5,400	(550)	150	4,500	4,800	4,650	(300)	(150)	5,700	6,050	5,650	(350)	50
Transportation, communication, and utilities	5,550	5,500	5,200	50	350	2,650	2,750	2,450	(100)	200	3,050	3,050	2,950	0	100
Trade	23,900	25,400	23,800	(1,500)	100	22,350	23,500	22,350	(1,150)	0	28,200	29,850	26,650	(1,650)	1,550
Finance, insurance, and real estate	8,150	8,150	8,100	0	50	3,600	3,600	3,750	0	(150)	7,100	7,050	6,700	50	400
Service industry & other	21,650	22,150	21,700	(500)	(50)	18,800	19,150	17,600	(350)	1,200	19,800	20,200	19,050	(400)	750
Government	8,900	9,000	8,750	(100)	150	7,250	7,400	7,000	(150)	250	25,750	26,100	25,250	(350)	500
Federal	2,600	2,650	2,600	(50)	0	950	950	900	0	50	10,850	10,950	10,600	(100)	250
State	800	800	800	0	0	200	200	250	0	(50)	5,400	5,500	5,350	(100)	50
Local	5,500	5,550	5,350	(50)	150	6,100	6,250	5,850	(150)	250	9,500	9,650	9,300	(150)	200
Persons involved in labor disputes (not included in Nonagricultural Wage and Salary Employment above)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

* *Numbers in parentheses indicate negative numbers*
** *By place of residence*
*** *By place of establishment, March 1988 benchmark*

Manchester MSA -- includes the city of Manchester and the towns of Allenstown, Auburn, Bedford, Candia, Goffstown, and Hooksett

Nashua PMSA -- includes the city of Nashua and the towns of Amherst, Brookline, Hollis, Hudson, Litchfield, Londonderry, Merrimack, Milford, Mont Vernon, and Wilton

Portsmouth-Dover-Rochester MSA -- includes the New Hampshire cities of Dover, Portsmouth, Rochester, and Somersworth; the New Hampshire towns of Barrington, Durham, Exeter, Farmington, Greenland, Hampton, Lee, Madbury, Milton, New Castle, Newfields, Newington, Newmarket, North Hampton, Rollinsford, Rye, and Stratham; and the Maine towns of Berwick, Eliot, Kittery North Berwick, Ogunquit, South Berwick, Wells, and York

AVERAGE EARNINGS AND HOURS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

(Establishment Survey estimates on this page are currently projected from March 1988 benchmark levels.)

NEW HAMPSHIRE

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Jan 1989	Dec 1988	Jan 1988	Jan 1989	Dec 1988	Jan 1988	Jan 1989	Dec 1988	Jan 1988
All Manufacturing	$417.00	$413.06	$388.93	41.7	41.1	41.2	$10.00	$10.05	$9.44
Durable goods	426.54	418.61	397.44	41.9	41.0	41.4	10.18	10.21	9.60
Lumber and wood products	313.04	338.19	312.24	37.4	38.3	38.5	8.37	8.83	8.11
Furniture and fixtures	307.26	324.01	311.67	39.8	41.7	41.5	7.72	7.77	7.51
Stone and clay products	367.64	381.89	366.72	40.4	41.6	42.2	9.10	9.18	8.69
Primary metal products	464.69	475.57	462.24	46.1	46.9	47.9	10.08	10.14	9.65
Fabricated metal products	431.71	434.35	415.92	42.2	42.5	43.1	10.23	10.22	9.65
Machinery (except electrical)	453.27	460.58	436.70	43.5	44.5	44.2	10.42	10.35	9.88
Electrical products	454.16	406.13	389.00	41.4	36.1	38.1	10.97	11.25	10.21
Miscellaneous products	324.17	356.65	321.70	38.5	40.9	38.9	8.42	8.72	8.27
Other durable goods	428.58	418.16	396.89	42.1	41.9	41.3	10.18	9.98	9.61
Nondurable goods	396.07	400.20	369.65	41.3	41.3	40.8	9.59	9.69	9.06
Food and kindred products	457.26	488.43	434.16	40.9	40.2	40.5	11.18	12.15	10.72
Textile mill products	345.24	343.17	318.79	41.1	41.0	40.2	8.40	8.37	7.93
Apparel	253.68	250.98	245.53	36.5	36.8	37.6	6.95	6.82	6.53
Paper and allied products	506.22	545.14	505.04	46.4	49.2	47.2	10.91	11.08	10.70
Printing, publishing, and allied	419.09	417.64	397.70	39.8	39.7	41.0	10.53	10.52	9.70
Leather and leather products	209.50	212.79	191.14	33.9	34.6	33.3	6.18	6.15	5.74
Footwear	208.82	212.10	192.43	33.9	34.6	33.7	6.16	6.13	5.71
Other nondurable goods	411.84	404.75	388.86	42.9	41.9	41.5	9.60	9.66	9.37

Sample Percent of Production Workers: 41.1%

Total Production Workers: 82,900

Firms Reporting: 288

Manchester MSA

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Jan 1989	Dec 1988	Jan 1988	Jan 1989	Dec 1988	Jan 1988	Jan 1989	Dec 1988	Jan 1988
All Manufacturing	$423.74	$414.23	$396.19	41.1	40.1	40.1	$10.31	$10.33	$9.88
Durable goods	431.61	422.08	401.17	40.3	39.3	39.1	10.71	10.74	10.26
Machinery and electrical products	458.05	451.82	409.42	42.1	41.0	40.1	10.88	11.02	10.21
Other durable goods	394.25	380.81	390.47	37.8	36.9	37.8	10.43	10.32	10.33
Nondurable goods	411.28	402.55	385.40	42.4	41.5	41.8	9.70	9.70	9.22
Textiles and apparel	341.50	331.10	301.06	40.8	39.7	39.2	8.37	8.34	7.68
Other nondurable goods	433.72	426.47	415.90	42.9	42.1	42.7	10.11	10.13	9.74

Sample Percent of Production Workers: 50.6%

Total Production Workers: 9,000

Firms Reporting: 37

Nashua PMSA

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Jan 1989	Dec 1988	Jan 1988	Jan 1989	Dec 1988	Jan 1988	Jan 1989	Dec 1988	Jan 1988
All Manufacturing	$502.18	$526.54	$473.20	41.4	42.6	41.4	$12.13	$12.36	$11.43
Durable goods	510.05	537.46	489.14	41.4	43.1	41.7	12.32	12.47	11.73
Machinery and electrical products	547.76	576.84	516.89	41.0	41.8	40.7	13.36	13.80	12.70
Other durable goods	426.97	453.42	420.92	42.4	45.8	43.8	10.07	9.90	9.61
Nondurable goods	473.52	488.72	417.77	41.5	41.0	40.6	11.41	11.92	10.29

Sample Percent of Production Workers: 35.4%

Total Production Workers: 19,600

Firms Reporting: 52

Portsmouth-Dover-Rochester MSA

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Jan 1989	Dec 1988	Jan 1988	Jan 1989	Dec 1988	Jan 1988	Jan 1989	Dec 1988	Jan 1988
All Manufacturing	$390.32	$405.88	$379.22	41.0	42.5	41.4	$9.52	$9.55	$9.16
Durable goods	410.23	426.05	405.74	40.9	42.1	41.7	10.03	10.12	9.73
Nondurable goods	359.63	376.69	339.48	41.1	43.1	41.0	8.75	8.74	8.28

Sample Percent of Production Workers: 42.2%

Total Production Workers: 15,200

Firms Reporting: 31

New Hampshire Labor Supply and Demand

In January there was a total of 14,958 active applicants registered in all local offices, which was an increase of 3,487 (+30.4 percent) over the previous month's total of 11,471. Job openings received remained close to the same level in both December and January (slightly over 1,100). When comparing job openings to active applicants, there was a ratio of 1 to 11 in December 1988, and 1 to 15 in January 1989. In January 1988 there was one job opening received to every eight active applicants, which reflected a job market more favorable to those seeking work.

The higher number of active applicants is an indication that the economy may be slowing down, but signals are mixed as to how much it might slow down. The National Association of Business Economists, according to recent releases, feels that the Gross National Product will grow at a rate of 2.2 percent for 1989, rather than the 3.5 percent predicted by the Federal administration. Predicted higher interest rates intended to help control inflation would also act to slow down the economy and increase unemployment. Locally, however, more than 37 percent of the firms responding to a Manpower, Inc. poll said they planned to increase their number of staff. "High Tech" industries are not predicted to increase their numbers of workers, since they have already suffered a slowdown due in part to competitive pressure brought on by participation in a more global economy. The slowdown could be intensified by defense budget cuts that will trim the number of defense contracts.

The number of active applicants in the construction industry went from 2,463 in December to 3,772 in January (+1,309), an increase of 53 percent. A year ago the number of construction applicants went from 1,448 in December to 2,179 in January (+731), an increase of 50.5 percent from a pool of far fewer applicants. The greatest increase in the number of structural active applicants occurred in Manchester (from 342 in December to 640 in January), Dover (from 329 in December to 532 in January), and Laconia (from 303 in December to 499 in January). A year ago the number of applicants in Manchester reflected the fact that fewer construction workers were being laid off even during the winter months as there were only 168 construction active applicants in December 1987 and 210 in January 1988. Year-ago data for Dover showed 251 construction active applicants in December and 388 in January, while Laconia went from 146 to 295 during the same period.

Occupational groups with an increase of more than 300 active applicants from the previous month include: Clerical active applicants (2,016 in December to 2,388 in January), professional, technical and managerial applicants (2,070 in December to 2,404 in January), and services applicants (1,510 in December to 1,812 in January).

The number of minority active applicants has doubled from 242 in January 1988 to 487 in January 1989. Nashua and Manchester had the greatest increases with Nashua increasing from 69 in January 1988 to 153 in January this year and Manchester reporting 58 for January 1988 and 134 for this January. All local offices reported increases in minority active applicants between January 1988 and January 1989.

Job openings received for professional, technical and managerial occupations increased since November, moving from 103 job openings in that month to 116 in December and 122 in January, while sales job openings received during the same three months declined from 302 to 276 to 209 as the shopping rush of the Christmas season ended. The services industry, which had the second largest number of job openings, changed very little from December (179) to January (185), but individual offices reported large swings. Keene received 1 services job opening in December and 19 in January, and Laconia reported 9 in December and 22 in January, while Concord (-14), Nashua (-7), Littleton (-7), and Manchester (-6) all reported fewer openings than in the previous month.

Benchwork occupations also showed significant increases in job openings received. January listings showed 138 compared to 87 in December, with a large share of the new openings in Keene (7 in December to 40 in January), Laconia (2 in December to 18 in January), and Concord (1 in December to 13 in January). Compared to the same month a year ago, professional, technical and managerial occupations reported increases in the number of job openings (85 in January 1988 to 122 in January 1989), as did benchwork occupations (113 to 138 in January of each year, respectively), while services had fewer job openings (193 in January 1988 to 185 in January this year) as did clerical occupations (from 238 to 209 for the same time period).

The total number of job openings received for January 1989 was about the same as a year earlier (around 1,100), but Manchester (+58) and Concord (+40) each had a greater number of job openings received, while Nashua (-45), Claremont (-37), and Dover (-30) each had substantially fewer.

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ACTIVE APPLICANTS BY OCCUPATION, JANUARY 1989

Area	Professional, Technical, & Managerial	Clerical	Sales	Services	Farm	Processing	Machine Trades	Benchwork	Structural Work	Freight & Transportation	Packaging & Material Handling	Miscellaneous	Total
New Hampshire	2,404	2,388	719	1,812	179	162	955	897	3,772	856	710	104	14,958
Berlin	41	89	35	77	4	1	31	20	161	32	19	1	511
Claremont	63	86	23	76	8	9	71	40	119	29	44	2	570
Concord	329	225	51	141	20	10	88	52	289	69	54	15	1,343
Conway	41	67	20	40	4	2	16	14	85	22	6	0	317
Dover	267	317	61	193	17	40	132	161	532	108	50	9	1,887
Keene	137	133	77	152	12	3	68	47	205	45	48	5	932
Laconia	162	240	52	185	14	15	109	54	499	112	46	7	1,495
Lebanon	91	57	30	51	10	3	26	13	106	22	18	3	430
Littleton	61	103	23	126	13	5	41	25	210	37	21	9	674
Manchester	314	384	141	341	17	31	160	176	640	146	180	33	2,563
Nashua	413	332	96	167	24	26	101	201	350	109	115	12	1,946
Portsmouth	330	255	74	210	25	16	66	55	402	81	88	6	1,608
Salem	155	100	36	53	11	1	46	39	174	44	21	2	682

Source: Employment Security Automated Reporting System - Table A96

JOB OPENINGS RECEIVED BY OCCUPATION, JANUARY 1989

Area	Professional, Technical, & Managerial	Clerical	Sales	Services	Farm	Processing	Machine Trades	Benchwork	Structural Work	Motor Freight & Transportation	Packaging & Material Handling	Miscellaneous	Total
New Hampshire	122	209	57	185	31	16	105	138	150	47	45	10	1,115
Berlin	2	24	2	16	3	0	4	1	0	1	0	0	53
Claremont	9	10	1	16	0	0	6	1	9	3	6	0	61
Concord	22	22	14	8	0	0	5	13	19	7	6	3	119
Conway	1	6	2	4	0	0	0	0	1	1	0	0	15
Dover	8	15	7	22	0	1	3	10	24	1	1	0	92
Keene	15	6	2	19	3	1	12	40	6	5	3	0	112
Laconia	3	14	4	22	0	4	15	18	9	2	4	0	95
Lebanon	4	12	3	9	1	0	2	5	3	5	4	0	48
Littleton	0	16	4	16	1	3	9	9	3	3	6	0	70
Manchester	7	38	12	18	0	2	26	15	44	9	7	6	184
Nashua	3	9	1	6	4	0	6	12	6	7	4	0	58
Portsmouth	16	23	5	21	0	2	15	5	25	3	1	0	116
Salem	0	13	0	6	0	3	2	9	1	0	3	1	38
All Others	32	1	0	2	19	0	0	0	0	0	0	0	54

Source: Employment Security Automated Reporting System - Table 10

ACTIVE APPLICANTS BY SEX, AGE, MINORITY STATUS, AND VETERAN STATUS, JANUARY 1989

Area	Male	Female	Eligible Claimants	Minority	Veterans	Age < 45	Age > 45	Total Active Applicants	Unfilled Openings: Total	Unfilled Openings: 30 Days +
New Hampshire	9,644	5,314	7,149	487	2,967	12,190	2,768	14,958	1,165	702
Berlin	324	187	156	8	78	409	102	511	34	20
Claremont	371	199	150	7	102	480	90	570	66	26
Concord	858	485	645	28	320	1,100	243	1,343	60	12
Conway	204	113	162	4	44	253	64	317	7	6
Dover	1,202	685	947	28	415	1,574	313	1,887	86	57
Keene	588	344	325	12	217	758	174	932	125	59
Laconia	1,031	464	829	15	263	1,230	265	1,495	96	54
Lebanon	313	117	158	11	101	342	88	430	21	10
Littleton	410	264	236	5	106	542	132	674	59	28
Manchester	1,616	947	1,294	134	461	2,104	459	2,563	112	46
Nashua	1,227	719	1,178	153	366	1,547	399	1,946	89	59
Portsmouth	1,055	553	658	65	363	1,304	304	1,608	99	46
Salem	445	237	411	17	131	547	135	682	94	78
All Others									217	201

Source: Employment Security Automated Reporting System - Table A96

JOB OPENINGS RECEIVED BY INDUSTRY, JANUARY 1989

Area	Agriculture, Forestry and Fisheries	Construction & Mining	Manufacturing	Transportation, Communication & Utilities	Trade	Finance Insurance, Real Estate	Services	Public Administration	Total	Government Openings in Columns 1-8*
New Hampshire	24	94	340	41	203	52	270	91	1,115	142
Berlin	0	2	6	1	26	3	13	2	53	3
Claremont	0	6	19	2	9	1	24	0	61	7
Concord	0	7	15	10	30	4	31	22	119	26
Conway	0	0	0	0	7	1	7	0	15	0
Dover	1	5	30	1	21	6	25	3	92	17
Keene	1	7	51	1	11	2	39	0	112	17
Laconia	0	6	50	0	15	4	19	1	95	1
Lebanon	1	1	11	3	11	1	17	3	48	4
Littleton	0	4	25	3	11	2	25	0	70	1
Manchester	0	41	48	5	24	22	22	22	184	15
Nashua	2	1	30	1	10	3	11	0	58	2
Portsmouth	0	14	31	13	23	2	31	2	116	13
Salem	0	0	22	1	5	1	5	4	38	4
All Others	19	0	2	0	0	0	1	32	54	32

Source: Employment Security Automated Reporting System - Table 10

* *This column includes Job Openings received from government-owned-and-operated employers in all types of industries. It consists of numbers that are included in the first eight columns.*

U.S. CONSUMER PRICE INDEX, JANUARY 1989

	1989	1988	1987	1986
1982-84=100				
All Urban Consumers (CPI-U)				
January Index	121.1	115.7	111.2	109.6
Percent Change From Previous January	4.7%	4.0%	1.4%	3.9%
Urban Wage Earners and Clerical Workers (CPI-W)				
January Index	119.7	114.5	110.0	108.9
Percent Change From Previous January	4.5%	4.1%	1.0%	3.8%
1967=100				
All Urban Consumers (CPI-U)				
January Index	362.7	346.7	333.1	328.4
Percent Change From Previous January	4.6%	4.1%	1.4%	3.9%
Urban Wage Earners and Clerical Workers (CPI-W)				
January Index	356.7	341.0	327.7	324.3
Percent Change From Previous January	4.6%	4.1%	1.0%	3.7%

JANUARY CPI INDEXES BY CATEGORY

(1982-84=100, except where otherwise noted)

Categories	CPI-U January Index	Percent Change from: January 1988	December 1988	CPI-W January Index
All Items	121.1	4.7%	0.5%	119.7
All Items (1967=100)	362.7	4.6	0.5	356.7
Food and Beverages	122.0	5.4	1.2	121.7
Housing	120.7	3.9	0.4	119.0
Apparel and Upkeep	115.3	4.4	-2.3	114.8
Transportation	111.1	3.7	0.3	110.7
Medical Care	143.8	7.0	1.1	144.2
Entertainment	123.8	4.8	0.8	123.1
Other Goods and Services	143.4	7.5	1.5	143.0

YEARLY CHANGES IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS

(1982-84 = 100)

	1988	1987	1986
Average CPI-U Level for Year:	118.3	113.6	109.6
Percent Change from Previous Year Average:	4.1%	3.6%	1.9%
December CPI-U Level for Year:	120.5	115.4	110.5
Percent Change from Previous December:	4.4%	4.4%	1.1%

Note: The CPI data on these tables is unadjusted for seasonal fluctuations.

Source: United States Department of Labor, Bureau of Labor Statistics

Notes of Interest:

Local Area Unemployment Statistics (LAUS) Program Adopts New Method to Calculate Unemployment Rates

Beginning with data for January 1989, the Bureau of Labor Statistics (BLS) introduced a new method of calculating monthly employment and unemployment estimates for 39 states and the District of Columbia. New Hampshire is one of the states affected. The new method will provide more accurate monthly estimates at the statewide level.

The new method uses statistical models to estimate monthly employment and unemployment. The estimating equations of the models were developed using more than 10 years of data from three major data sources: the Current Population Survey (CPS), the Current Employment Statistics (CES) Survey, and unemployment insurance (UI) data. The combined data from these sources cover employed and unemployed persons in all sectors of the economy.

The new method replaces the previous building-block or "Handbook" method for the 39 smaller states and the District of Columbia. The Handbook method will continue to be used for local area estimation. While the new method uses basic data similar to those used in the Handbook method, it uses the data differently. The new method, for example, is more specialized to each individual state economy. The statistical approach to making the estimates differs, also. The focus is now on the interrelationships of the different types of data used for the categories of employed and unemployed; in contrast, the previous method estimated subcategories of each separately. A major problem with the old method was related to difficulties in accurately estimating the detailed categories of the labor force. Handbook unemployment estimates would need to be adjusted to levels recorded in the CPS. The adjustments introduced other problems because the old method did not fully account for differences in State UI laws and differences in State economies.

Accuracy of monthly estimates of employment and unemployment will be improved using the new models. The new method better represents groups previously underrepresented, such as those unemployed persons entering the labor force (especially those seeking their first jobs). Because of different seasonal rates of entry, the overall estimates may not follow the patterns exibited in the past. However, these seasonal fluctuations will tend to balance out over the year. In addition, the adoption of the new method means that estimates will tend to be more comparable between the smaller states and the eleven largest states unaffected by the change in methodology.

Administrative Services End for Targeted Jobs Tax Credit Program

Recently Department of Employment Security Commissioner John J. Ratoff announced that administrative services for the Targeted Jobs Tax Credit (TJTC) Program would end as of March 1. The United States Congress had extended the TJTC Program through December 31, 1989 but did not appropriate any funds for states to administer the program.

The TJTC Program offered employers a credit against their federal tax liabilities for hiring individuals from nine target groups whose members have traditionally had difficulty obtaining and holding jobs. DES was responsible for administering the TJTC Program in New Hampshire. Each local office would determine if an applicant was eligible for the Program, and would issue a voucher to eligible applicants to enhance prospects for private sector employment. The voucher indicated to employers that the applicant was eligible to be certified for the employer tax credit. Tax credit certifications were issued from the Administrative Office through the Employment Service Bureau. Depending on the type of employee hired, the tax credit could range up to $2,400 or $2,550. In each of the last couple of years, employers used this program to hire approximately 850 workers and save about $2,000,000 in taxes annually.

Most of those individuals certified were Economically Disadvantaged Youth, Eligible Work Incentive Employees, Qualified Summer Youth (16-17 years of age), and Handicapped.

Report on Staffing Patterns in Selected New Hampshire Nonmanufacturing Industries Now Available

New Hampshire Occupational Employment Statistics for Selected Nonmanufacturing Industries (in Mining; Construction; Finance, Insurance, and Real Estate; and Services) was recently published and is now available to the public. Through information from this survey, the Reports and Analysis Section of the Department of Employment Security estimates the total number of employees by occupation within given industries. Industries are defined according to the Standard Industrial Classification (SIC) coding system, while occupations are defined according to the Occupational Employment Statistics (OES) coding system.

The SIC system defines industries according to composition and structure, concentrating on the primary economic activity in which an establishment is involved. Industrially classified statistics are used not only to show how industries have performed over past years, but also to indicate emerging and rapidly growing industries.

The OES coding system allocates occupations into seven major categories. These categories are: Managerial and Administrative; Professional, Paraprofessional and Technical; Sales and Related; Clerical and Administrative Support; Service; Agricultural, Forestry, Fishing and Related; and Production, Construction, Operating, Maintenance and Material Handling Occupations. Each category is further

broken down into distinct occupations such as Air Hammer Operators, Machinery Maintenance Mechanics, Registered Nurses, or Underwriters. Occupationally classified statistics can be used to identify growing and declining occupations, and also to indicate in which industries certain occupations are concentrated.

The goal of the OES Program is to direct training programs to meet both current and long-range personnel needs. To that end, it is an invaluable tool enabling employers, educational planners, manpower analysts, economists, and others to intelligently deal with inequities in the supply and demand of workers in specific occupations on the local, state, or national level.

The current report is based on responses to a survey that was sent to almost 2,000 New Hampshire employers in the mentioned industries. Approximately seventy-eight percent of those firms surveyed responded. Other industries, such as Manufacturing; Wholesale and Retail Trade; Hospitals; Transportation and Public Utilities; Education; and Government, are also surveyed as part of a three-year cycle. Information from all surveys is used in making long-term projections of employment by occupation.

Copies may be obtained by writing:

William Halm
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Reports and Analysis Section
32 South Main Street
Concord, New Hampshire 03301

or you may call him at (603) 228-4120.

WEEKLY CLAIMS FILED DURING JANUARY CLASSIFIED BY LOCAL OFFICE

Area	U. C. Unemployment Compensation		State Workers (Only)		U. C. Local Government		Ex-Military Servicemen (UCX Only)		U.C. Federal Employees No U.I.	
	Initial Claims	Continued Claims	Initial Claims	Continued Claims	Initial Claims	Continued Claims	Initial Claims	Continued Claims	Initial Claims	Continued Claims
All Offices	5,092	19,836	3	27	4	10	49	42	17	49
Berlin	148	794	0	0	0	0	1	2	0	0
Claremont	193	731	0	0	0	0	3	0	0	0
Concord	485	1,918	0	2	0	0	6	2	0	4
Conway	205	663	0	1	0	0	5	1	0	3
Dover	577	2,636	2	4	0	0	8	6	3	15
Keene	226	614	0	5	2	3	2	1	1	1
Laconia	469	2,106	0	1	1	0	8	0	1	4
Lebanon	86	357	0	4	0	0	0	2	0	0
Littleton	192	962	0	1	0	0	2	0	0	1
Manchester	991	3,599	0	2	0	0	5	11	3	2
Nashua	644	1,997	0	2	1	5	2	6	0	4
Portsmouth	403	1,487	0	1	0	0	4	6	5	7
Salem	243	766	1	1	0	2	2	0	1	0
Liable Interstate	230	1,206	0	3	0	0	1	5	3	8

The average payment for a week of total unemployment: $126.15

The Unemployment Compensation Fund Balance at the End of the Month: $186,213,452.93

Net contributions received during the month: $1,865,607.68

Net benefits paid during the month: $2,943,226.68

Interest Received: 0.00